

# **SLSDC STRATEGIC PLAN**

## ***Introduction***

The Saint Lawrence Seaway Development Corporation (SLSDC or Corporation) is a wholly owned government corporation created by statute May 13, 1954, to construct, operate and maintain that part of the St. Lawrence Seaway between Montreal and Lake Erie, within the territorial limits of the United States. Trade development functions aim to enhance Great Lakes St. Lawrence Seaway System utilization without respect to territorial or geographic limits.

The SLSDC coordinates its activities with its Canadian counterpart, The St. Lawrence Seaway Management Corporation, particularly with respect to rules and regulations, the Tariff of Tolls, overall day-to-day operations, traffic management, navigation aids, safety, environmental programs, operating dates, and trade development programs. The unique binational nature of the System requires 24-hour, year-round coordination between the two Seaway entities.

The mission of the Corporation is to serve the U.S. intermodal and international transportation system by improving the operation and maintenance of a safe, reliable, efficient, and environmentally responsible deep-draft waterway, in cooperation with its Canadian counterpart. The SLSDC also encourages the development of trade through the Great Lakes Seaway System, which contributes to the comprehensive economic and environmental development of the entire Great Lakes region.




















The SLSDC headquarters staff offices are located in Washington, D.C. Operations and operations personnel are located at the two U.S. locks (Eisenhower and Snell) in Massena, N.Y.

## ***External Factors/Basis for Data Reported***

External factors affecting SLSDC performance and all strategic goals include: vessel incidents due to mechanical failure and human error; weather conditions; global economic factors affecting demand, production, and pricing of commodities and vessel services; and federal policy decisions by the United States and Canada.

The Seaway System and related operations are on a calendar year (CY) basis from late March to late December. In accordance with calendar year operations, both CY and fiscal year (October 1 - September 30) (FY) data are reported as appropriate.

## SLSDC Performance Areas Compared to DOT Goals and Strategies

SLSDC Performance Areas	Perf. Area No. 1 Safety Environment	Perf. Area No. 2 Reliability Availability	Perf. Area No. 3 Trade Development	Perf. Area No. 4 Management Accountability
<b>DOT Goals and Strategies:</b>				
Safety				
Mobility				
Economic Growth				
Human and Natural Environment				
National Security				
Organizational Excellence				

### ***Vision Statement***

Ensure the structural viability of the U.S. Seaway navigation facilities and promote the Great Lakes St. Lawrence Seaway System.

### ***Mission Statement***

Serve the U.S. transportation system by improving the operations and maintenance of a safe, reliable, and efficient deep draft international waterway, in cooperation with the Canadian St. Lawrence Seaway Management Corporation.

# **STRATEGIC GOALS**

**SAFETY: Promote navigation and workplace safety and environmental protection by reducing vessel incidents and employee injuries, and preventing environmental incidents.**

## Outcome Goals:

- ◆ Increase the application of technologies and programs to ensure navigation safety and protection of the river environment.
- ◆ Reduce the risk of commercial vessel incidents.
- ◆ Improve compliance with navigation and workplace safety and environmental standards.

## How We Will Achieve This Strategic Goal:

- Insist on excellence in occupational safety by providing the education, equipment and commitment needed to make the Seaway an accident-free employer.
- Effectively utilize emerging technologies, such as Automatic Identification System (AIS) / Global Positioning System (GPS) technologies and related systems, to enhance system safety.
- Maintain the enhanced vessel inspection program at Montreal to inspect every ocean vessel on the first transit inbound each navigation season, in coordination with the SLSDC's Canadian counterpart and the Canadian and U.S. Coast Guards. The program includes Seaway regulations and fittings, legislated port-state inspection, and the International Safety Management Code (ISM).
- Promote System safety through traffic control procedures; rules and regulations for Seaway transit; vessel speed surveillance; deployment of fixed and floating navigation aids; operation of weather and visibility meters; vessel inspections, routine and for cause; water level and rate of flow monitoring; and vessel customer exit survey recommendations.
- Maintain and improve our capability to react to a hazardous materials spill by conducting simulated Emergency Response Exercises, and updating our spill response plan and equipment accordingly. Continuously improve teamwork of regional government agencies to respond to an incident through training, simulations and actual incident critiques.
- Hire an Industrial Hygienist to review and analyze environmental and industrial hygiene issues at the SLSDC, and plan a program to ensure a clean and healthful environment for SLSDC employees and customers.

Candidate Performance Measures: CY data sourced from the SLSDC offices of Lock Operations, Engineering and Strategic Planning, and Maintenance and Marine Services. Annual historical data for baseline measurement is included in annual performance agreements, performance plans, and budget justifications. Selected historical data are shown below.

- ✓ Increase utilization of available technologies to advance system safety.
- ✓ Reduce the number of commercial vessel incidents in excess of \$50,000 in damages each navigation season. Five-year rolling average, vessel incidents:

CY 1989 — 1993	1.2
1990 — 1994	0.4
1991 — 1995	0.4
1992 — 1996	0.2
1993 — 1997	0.0
1994 — 1998	0.0
1995 — 1999	0.0
1996 — 2000	0.0

- ✓ Increase the percentage of ocean vessel first-transit-inbound inspections at Montreal, outside of U.S. waters, each navigation season:

CY 1996	38%
1997	100
1998	100
1999	100
2000	100

- ✓ Increase Emergency Response Plan training and simulated activations.

**RELIABILITY: Maintain user confidence in the continued viability of the Seaway System by ensuring that plans and decisions sustain the long-term reliability and availability of U. S. navigation facilities.**

Outcome Goals:

- ◆ Increase the availability and reliability of navigation facilities each shipping season.
- ◆ Reduce the risk of vessel delays due to lock equipment failure.
- ◆ Improve maintenance and inspection systems to ensure an accessible, safe, and efficient System for users.

How We Will Achieve This Strategic Goal:

- Ensure the structural integrity and mechanical reliability of our locks through a comprehensive program of maintenance, inspection and modernization.
- Implement AIS/GPS technologies to more efficiently manage vessel traffic control and vessel lockages at the two U.S. Seaway locks.
- Strictly maintain weekly/monthly inspections for electrical systems and lock machinery and conduct major maintenance and rehabilitation programs during the winter shutdown period.
- Continuously evaluate and improve our operating procedures, regulations and policies to better serve our customers. Actively seek customer feedback.
- Supplement SLSDC preventive maintenance measures in coordination with periodic, comprehensive surveys and evaluations by independent engineering consultants such as the U.S. Army Corps of Engineers.
- Maintain five-year “rolling” capital improvement plan for machinery, lock and hydraulic steel structure replacement/rehabilitation programs.
- Periodic channel maintenance and improvements, including sweeping and maintenance dredging.
- System operating date negotiations with Canadian counterparts; and related Safety goal activities critical to availability: maintenance and repair of fixed and floating navigation aids; weather and visibility meters; Emergency Response Plan and periodic simulations; water level and rate of flow monitoring.

Candidate Performance Measures: CY data sourced from the SLSDC offices of Lock Operations, Engineering and Strategic Planning, and Maintenance and Marine Services. Annual historical data for baseline measurement is included in annual performance agreements, performance plans, and budget justifications. Selected historical data are shown below.

- ✓ Increase the percentage ratio of Seaway System navigation days open, versus downtime in the U.S. Sectors of the Seaway, for any incident, cause, problem, or occurrence, including weather. Five-year rolling average of navigation day availability:

CY 1987 — 1991	97.4%
1988 — 1992	97.0
1989 — 1993	96.4
1990 — 1994	96.2
1991 — 1995	96.4
1992 — 1996	96.4
1993 — 1997	96.6
1994 — 1998	97.5
1995 — 1999	98.1
1996 — 2000	98.1

- ✓ Reduce delays to navigation, per total commercial vessel transit, due to lock equipment maintenance failure. Five-year rolling average of per-transit delay hours:

CY 1987 — 1991	0.001361 hours
1988 — 1992	0.001963
1989 — 1993	0.002860
1990 — 1994	0.005628
1991 — 1995	0.006801
1992 — 1996	0.007134
1993 — 1997	0.006256
1994 — 1998	0.005155
1995 — 1999	0.002105
1996 — 2000	0.001106

- ✓ Increase the effectiveness and extent of periodic evaluations and inspections, by SLSDC personnel. Obtain outside views and expertise, by arranging for periodic inspections by the U.S. Army Corps of Engineers or other consultants.

**TRADE DEVELOPMENT: Encourage increased System utilization that benefits both the Great Lakes regional economy and the national economy, while promoting cost effective competition for all System users.**

Outcome Goals:

- ◆ Increase the volume of United States international tonnage through the Seaway System, to and from U.S. ports.
- ◆ Increase ocean vessel fleet System utilization in terms of laden vessel transits and tonnage per transit.
- ◆ Increase domestic and international trade development programs to improve the Seaway's competitive position in serving the nation.
- ◆ Increase cruise vessel fleet System utilization in terms of cruise vessel transits and annual passenger levels.

How We Will Achieve This Strategic Goal:

- Serve as a catalyst to unite the Great Lakes/Seaway community to improve communications and cooperation on system-wide initiatives directed toward improving customer service.
- Target overseas trade development programs to high potential markets and regions. Focus trade activities on specific commodity groups and vessel service, including refitting existing ships and construction of new vessels for Seaway operation.
- Develop and implement a binational Internet web site to provide current and prospective users with a single resource for Seaway-related information on rules and regulations, real-time vessel locations, water level and weather conditions, trade development and promotional activities, regulatory cost information, and cargo matching services.
- Advocate policies to reduce System operating costs to the industry, such as rebates, new business incentives, and targeted cargo discounts. Support negotiations with our Canadian counterparts to freeze, reduce or eliminate all Seaway tolls.
- Work with carriers, ports, pilots, agents, cargo handlers, and other interests in the Great Lakes/Seaway community to contain costs and participate in trade development programs.
- Develop operating initiatives to improve current capacity and future utilization of the system, such as vessel draft, beam and length modifications.
- Expand our capability to analyze and disseminate traffic information and publications and develop trade leads. Continue successful information outreach programs like Seaway Nightcast.

Candidate Performance Measures: CY data sourced from the SLSDC monthly and annual navigation statistics, and Office of Lock Operations data on vessel pre clearance, and vessel owner/agent records. Annual historical data for baseline measurement is included in annual performance agreements, performance plans, and budget justifications. Selected historical data are shown below.

- ✓ Increase tonnage volume for total System tonnage, and United States international tonnage through the Seaway System, to and from U.S. ports. Five-year rolling average, international tonnage:

CY 1986 — 1990	10.2 million tons
1987 — 1991	9.5
1988 — 1992	9.1
1989 — 1993	8.8
1990 — 1994	8.8
1991 — 1995	9.5
1992 — 1996	10.4
1993 — 1997	10.6
1994 — 1998	11.2
1995 — 1999	11.2
1996 — 2000	10.9



**MANAGEMENT ACCOUNTABILITY: Improve Seaway customer service, increase employee proficiency, and be accountable for sound financial management.**

**Outcome Goals:**

- ◆ Increase customer/stakeholder satisfaction with SLSDC services.
- ◆ Increase workforce performance measurements to improve morale, and to achieve progress toward meeting all SLSDC performance goals.
- ◆ Increase management planning focus on meeting long-term critical capital outlay programs, operations and maintenance needs, and replenishment of emergency reserves.

**How We Will Achieve This Strategic Goal:**

- Conduct outreach with all customers, employees, industry, federal and state agencies to involve the customer in the development of policies, programs and operating decisions.
- The SLSDC will pursue ISO 9002 certification for all organizational functions.
- Supplement outreach activities with customer surveys to obtain direct feedback concerning operations and regulations in practice and recommendations for program modifications.
- Foster an employee “customer” environment to strengthen and develop the organization internally, reach out to the employee local community and participate in local/national education initiatives.
- Continue support for administration initiatives and worklife policies, empower employees in the decision process, utilize partnerships, and encourage teambuilding and worklife policies.
- Establish binational partnerships with Canadian counterparts to drive service improvements and share resources.
- Conduct and participate in maritime industry oriented public meetings with a broad array of U.S., Canadian and overseas interests representing all segments of the Great Lakes St. Lawrence Seaway System.
- Ensure that commitments are maintained to monitor costs, to build emergency reserves, and to conduct periodic risk assessments. Corporation assets will be safeguarded and transactions performed in accordance with accepted accounting principles.

Candidate Performance Measures: CY and FY data sourced from the SLSDC annual financial audits and management reports. Annual historical data for baseline measurement is included in annual performance agreements, performance plans, and budget justifications. Selected historical data are shown below.

- ✓ Improve the customer survey ratings of SLSDC performance and service quality, measured over time against baseline survey results. Baseline: CY 1995 customer service rating of 4.5 on a scale of 1 to 5.
- ✓ Employee cultural audits measured over time against baseline audits.
- ✓ Reduce the ratio of administrative overhead expenses versus operating expenses, excluding depreciation. Five-year rolling average, administrative expenses as a percent of operating expenses:

FY 1991 — 1995	25.6%
1992 — 1996	26.2
1993 — 1997	26.3
1994 — 1998	26.3
1995 — 1999	26.1
1996 — 2000	26.0

- ✓ Ensure that a “clean” annual financial audit rating is maintained. Baseline: under the auspices of the Government Corporation Control Act, the SLSDC has had a “clean” audit since the first FY audit of June 30, 1955.
- ✓ Ensure that the SLSDC’s reserve account year-end balance is maintained at a level sufficient to achieve the SLSDC financial plan goal. Five-year rolling average reserve account balances:

FY 1988 — 1992	\$11.4
1989 — 1993	11.7
1990 — 1994	11.8
1991 — 1995	12.0
1992 — 1996	11.9
1993 — 1997	11.4
1994 — 1998	11.0
1995 — 1999	10.7
1996 — 2000	10.4